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Soviet Threat Toward Iran Overstated, Casey Concluded

By Bob Woodward and Dan Morgan
Washington Post Staff Writers

CIA Director William J. Casey concluded in a revised intelligence assessment last spring that the Soviets were less likely to attack Iran or have influence in a post-Khomeini regime than the CIA believed in 1985, according to informed sources.

Casey's amended analysis appears to have called into question a primary White House rationale for the secret sale of U.S. arms to Iran, which President Reagan ordered in January 1986 partly to assist Iran against "intervention by the Soviet Union."

The 1986 Central Intelligence Agency assessment, called a Special National Intelligence Estimate (SNIE), was issued under Casey's name and endorsed by the heads of U.S. intelligence agencies. As such, it was intended to represent the best collective judgment of these agencies.

Casey has taken great pride in the formal intelligence estimates, having said repeatedly that they help guide administration policy, according to informed sources.

The 25-page, highly classified document substantially altered conclusions reached a year earlier by one of Casey's national intelligence officers, Graham Fuller, that there was a great threat to Iran from its Soviet neighbor. According to sources, Fuller's paper also stated that the Iranian government was weakening; the analysis emphasized efforts being made by the Soviet Union to gain influence in Iran.

Casey's revised assessment was issued to the White House before perhaps the most dramatic of the arms shipments to Iran in May 1986, when former national security adviser Robert C. McFarlane flew to Tehran with weapons in hopes of freeing U.S. hostages held by Iran-backed Lebanese extremists in Beirut.

One senior administration official who read the revised estimate said yesterday, "It essentially said that

the Russians are not coming to Iran."

Another source who recently reviewed the SNIE added, "It said the Russian threat was not that great, that the Soviets were not about to jump into Iran The urgency of the Fuller study had abated."

The Tudeh communist party, which Ayatollah Ruhollah Khomeini had outlawed in 1983, was inactive in Iran and seemed to have little influence, the SNIE concluded.

Some of this assessment was based on intelligence provided by the Iranian contacts being used by the National Security Council in the arms deal—the "moderates" the White House believed existed in the Khomeini regime.

It could not be established why the CIA decided to issue a revised SNIE last spring. The revision was undertaken at a time when some government analysts were skeptical of Fuller's earlier study and wanted a more comprehensive followup study.

Also in the spring of 1983 when the Tudeh party was closed down, the CIA secretly provided a list to the Khomeini regime of Soviet KGB agents and collaborators operating in Iran, sources told The Washington Post last year. Two hundred suspects were executed, 18 Soviet diplomats were expelled and the Tudeh party leaders were imprisoned. Well-placed sources said that Soviet influence in Iran has been insignificant since the Tudeh party was outlawed.

In another development yesterday related to the Iran affair, the chairman and ranking Republican member of the Senate Select Committee on Intelligence said they hoped to release a new report on its inquiry into the Iran-contra affair in the next two weeks.

Sen. William S. Cohen (R-Maine) and the committee's new Democratic chairman, Sen. David L. Boren (Okla.), said the panel planned to issue a shortened version of the report that the committee voted on Jan. 5 not to make public in the waning hours of the 99th Congress.

The Maine Republican said this version would probably contain a summary of the evidence, and "perhaps" a summary of the conclusions, including an assertion that the committee had uncovered no evidence to

this point that Reagan knew of a diversion of funds from Iran arms sales to rebels fighting the Nicaraguan government.

However, Cohen said during a luncheon meeting with reporters, the report would make clear that the committee had conducted only a "preliminary inquiry," not a formal investigation, and had not taken testimony from a number of key witnesses.

Cohen, who became vice chairman of the newly constituted intelligence committee in the new Congress, was the only Republican to vote against release of the earlier version of the report, portions of which have been widely reported. He said he did so because the report was not complete, the testimony of 12 witnesses had not been transcribed and the senators had not had a chance to examine all documents submitted by government agencies.

Cohen also expressed concern that release of the full 160-page report drafted by the committee staff would have tipped off potential future witnesses about the nature of testimony provided by others, thus possibly hindering subsequent inquiries.

Also yesterday, the CIA strongly denied a New York Times report that Iran and Iraq were fed "disinformation"—deliberately distorted or inaccurate U.S. intelligence data—to advance the Reagan administration's goals in the region. The article "is false," said CIA spokesman George Lauder, who said it would be "stupid" for the United States to provide false information to either side.

The Times report said the disinformation was provided to prevent either side from winning their bloody war, now in its seventh year.

One congressional source yesterday said that American intelligence, which was passed to Iran as a sign of "good faith" in efforts to free U.S. hostages, was generally accurate except for one occasion when "the Iraqi forces were described as stronger than they really were so that the Iranians would not attack."

Secretary of State George P. Shultz, traveling from Nigeria to the Ivory Coast yesterday, said of the disinformation charge, "That's news to me. So far as I know, any information that we've been giving to Iraq has been dead on the mark."

In other developments:

■ David M. Abshire, the president's special counsel on the Iran affair, met with Reagan yesterday and the White House later issued a statement saying Abshire discussed his objective of speeding up disclosure of infor-

mation to Congress, the independent counsel investigating the Iran-contra affair and the Tower Commission, which is reviewing the NSC. The statement said Abshire also discussed efforts to maintain a "bipartisan focus" during the inquiries. A spokesman said Abshire had no timetable for releasing information, and the statement made no mention of releasing details to the public.

■ The U.S. attorney in Manhattan said yesterday that independent counsel Lawrence E. Walsh does not wish to take over the case of 13 international businessmen accused of conspiring to sell more than \$2 billion in weapons to Iran.

The defendants in the case, who include a lawyer for Saudi billionaire Adnan Khashoggi and a retired Israeli army general, have argued that they believed their proposed sales would receive U.S. government approval, and have suggested links between individuals involved in the sting operation and those involved in the administration's arms sales.

U.S. District Court Judge Leonard B. Sand, who is handling the Iranian arms sting case, had asked prosecutors to inform him by yesterday whether Walsh planned to assume control of that prosecution as well as other contra-related probes that he has taken over.

Staff writers David B. Ottaway, David Hoffman, Ruth Marcus and Walter Pincus and researcher Barbara Feinman contributed to this report.
